

Robert P. Goe – State Bar No. 137019  
Charity J. Manee – State Bar No. 286481  
**GOE FORSYTHE & HODGES LLP**  
17701 Cowan, Bldg. D, Suite 210  
Irvine, CA 92614  
rgoe@goeforlaw.com  
cmanee@goeforlaw.com  
Telephone: (949) 798-2460  
Facsimile: (949) 955-9437

Attorneys for  
Official Committee of Unsecured Creditors

**UNITED STATES BANKRUPTCY COURT**  
**CENTRAL DISTRICT OF CALIFORNIA - SANTA ANA DIVISION**

In re:  
**2<sup>ND</sup> CHANCE INVESTMENT GROUP, LLC,**  
  
Debtor and Debtor-in-  
possession.

Case No. 8:22-bk-12142-SC

Chapter 11 Proceeding

**JOINDER OF THE OFFICIAL  
COMMITTEE OF UNSECURED  
CREDITORS TO RESPONSE TO  
MOTION REGARDING THE  
AUTOMATIC STAY FILED BY THE  
DEBTOR AND DEBTOR IN  
POSSESSION**

Date: May 31, 2023  
Time: 1:30 p.m.  
Location: Courtroom 5C, Virtual  
U.S. Bankruptcy Court  
411 West Fourth Street  
Santa Ana CA 92701

The Official Committee of Unsecured Creditors (“Committee”) for 2nd Chance Investment Group, LLC, Debtor and Debtor in Possession (“Debtor”) hereby files joinder to the Response to Motion Regarding the Automatic Stay [Docket No. 129] (“Response”) filed by the Debtor to the Motion of U.S. Bank Trust National Association, Not In Its Individual Capacity But Solely As Owner Trustee For VRMTG Asset Trust (“Movant”) for relief from the automatic stay with respect to the real property located at 37472 Yorkshire Dr., Palmdale CA 93550 (“Property”).

**I. THE MOTION SHOULD BE DENIED**

The purpose of the automatic stay is to afford debtor “breathing spell” by halting collection process; it enables debtor to attempt repayment or reorganization plan with aim toward satisfying existing debt. *In re Siciliano*, 13 F.3d 748, 750 (3<sup>rd</sup> Cir. 1994), *citing Maritime Electric Co. v. United Jersey Bank*, 959 F.2d 1194, 1206 (3d Cir. 1991) and H.R.Rep. No. 595, 95th Cong., 1st Sess. 340 (1978), reprinted in 1978 U.S. Code Cong. & Admin. News 5787, 6296-97. *Accord, In re Roach*, 660 F.2d 1316, 1318 (9th Cir. 1981), *citing* Notes of Committee on the Judiciary, Sen. Rep. No. 989, 95th Cong., 2d Sess. 54, reprinted in [1978] U.S. Code Cong. & Ad. News 5787, 5840, (The purpose of the automatic stay is to give the debtor a breathing spell from its creditors, to stop all collection efforts, harassment and foreclosure actions.).

As discussed in detail in *In re Kim*, 71 B.R. 1011 (Bankr. C.D. Cal. 1987), Movant carries the initial burden of establishing a prima facie basis for the relief requested in its motion, as well as the burden imposed pursuant to Bankruptcy Code section 362(g) as to issues of value/equity.

Where the value of the collateral is stable, a creditor may not be entitled to receive payments. *See In re Johnson*, 90 B.R. 973, 978 (Bankr. D. Minn. 1988) (Since value of the collateral has not declined, the bank is not impaired and is not entitled to receive adequate protection payments); *In re Century Inv. Fund VII, Ltd. Partnership*, 96 B.R. 884, 887 (Bankr. E.D. Wis. 1989) (Where value appears to be stable, creditor is not entitled to adequate protection payments); *In re Anderson*, 88 B.R. 877, 889 (Bankr. N.D. Ind. 1988) (Secured creditor required to show a necessity for adequate protection by showing a decline in asset value from the petition date).

As detailed in the Response, Movant is protected by a massive equity cushion of 62.16% that is more than sufficient to adequately protect its interest in the Property. Additionally, while the Movant alleges the value of the Property is declining (page 3, par. 4(a)(1)(B)), it presents no evidence to support this contention. For these reasons, the Motion should be denied.

\\

**II. CONCLUSION**

Based on the foregoing, the Committee joins with the Debtor in requesting that the Court deny the Motion.

Respectfully submitted,

DATED: May 18, 2023

**GOE FORSYTHE & HODGES LLP**

By: /s/ Robert P. Goe

Robert P. Goe  
Attorneys for the Official Committee of  
Unsecured Creditors of 2nd Chance  
Investment Group, LLC

**PROOF OF SERVICE**

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: 17701 Cowan, Bldg. D, Suite 210, Irvine, CA 92614

A true and correct copy of the foregoing document entitled (*specify*): **JOINDER OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS TO RESPONSE TO MOTION REGARDING THE AUTOMATIC STAY FILED BY THE DEBTOR AND DEBTOR IN POSSESSION** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

**1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):** Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) May 18, 2023, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☒ Service information continued on attached page

**2. SERVED BY UNITED STATES MAIL:**

On (*date*) May 18, 2023, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows: Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

The Honorable Scott C. Clarkson  
411 W. Fourth Street, Suite 5130  
Santa Ana, CA 92701-4593

2nd Chance Investment Group, LLC  
600 W. Santa Ana Blvd.  
PMB 5045  
Santa Ana, CA 92701

Financial Relief Law Center APC  
1200 Main St., Ste C  
Irvine, CA 92614

Grobstein Teeple LLP  
23832 Rockfield Blvd suite 245  
Lake Forest, CA 92630

☐ Service information continued on attached page

**3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL:**

(state the method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) May 18, 2023, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows: Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

May 18, 2023  
*Date*

Susan C. Stein  
*Printed Name*

/s/Susan C. Stein  
*Signature*

**Mailing Information for Case 8:22-bk-12142-SC**

**Electronic Mail Notice List**

The following is the list of **parties** who are currently on the list to receive email notice/service for this case.

- **Amanda G. Billyard** abillyard@bwlawcenter.com
- **Stephan M Brown** ECF@thebklawoffice.com, stephan@thebklawoffice.com;roslyn@thebklawoffice.com
- **Kathleen A Cashman-Kramer** cashman-kramer@sullivanhill.com, theresam@psdslaw.com
- **Dane W Exnowski** dane.exnowski@mccalla.com, bk.ca@mccalla.com,mccallaecf@ecf.courtdrive.com
- **Lazaro E Fernandez** lef17@pacbell.net, lef-sam@pacbell.net;lef-mari@pacbell.net;OfficeLR74738@notify.bestcase.com;lefkarina@gmail.com
- **Robert P Goe** kmurphy@goeforlaw.com, rgoe@goeforlaw.com;goeforecf@gmail.com
- **David M Goodrich** dgoodrich@go2.law, kadele@wgllp.com;lbracken@wgllp.com;wgllp@ecf.courtdrive.com;gestrada@wgllp.com
- **Brandon J Iskander** biskander@goeforlaw.com, kmurphy@goeforlaw.com
- **Charity J Manee** cmanee@goeforlaw.com, kmurphy@goeforlaw.com
- **Randall P Mroczynski** randym@cookseylaw.com
- **Queenie K Ng** queenie.k.ng@usdoj.gov
- **Douglas A Plazak** dplazak@rhlaw.com
- **Arvind Nath Rawal** arawal@aisinfo.com
- **Gary B Rudolph** rudolph@sullivanhill.com, bkstaff@sullivanhill.com;vidovich@ecf.inforuptcy.com;rudolph@ecf.courtdrive.com;james@ecf.courtdrive.com
- **Cheryl A Skigin** caskigin@earthlink.net, caskigin@earthlink.net
- **Richard L. Sturdevant** rich@bwlawcenter.com
- **United States Trustee (SA)** ustpregion16.sa.ecf@usdoj.gov
- **Christopher P. Walker** cwalker@cpwalkerlaw.com, lhines@cpwalkerlaw.com;r57253@notify.bestcase.com
- **Fanny Zhang Wan** fwan@raslg.com
- **Andy C Warshaw** awarshaw@bwlawcenter.com, warshaw.andyb110606@notify.bestcase.com
- **Jennifer C Wong** bknotice@mccarthyholthus.com, jwong@ecf.courtdrive.com